

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN
EAU CLAIRE DIVISION**

| | | |
|---------------------------------|---|-------------------|
| KLC FINANCIAL, INC., |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| v. |) | Case No. 16-cv-33 |
| |) | |
| OLSON TRUCKING DIRECT, INC. and |) | |
| JEREMIAH S. OLSON, |) | |
| |) | |
| Defendants. |) | |

COMPLAINT FOR MONEY DAMAGES

NOW COMES the Plaintiff, KLC Financial, Inc. (“KLC”), by and through its attorneys, and for its Complaint for Money Damages against Defendants OLSON TRUCKING DIRECT, INC. (“OLSON TRUCKING”) and JEREMIAH S. OLSON (“JEREMIAH”) (collectively “Defendants”), states as follows:

PARTIES

- 1) KLC is a Minnesota corporation with its principal place of business at 3514 County Road 101, Minnetonka, MN 55345.
2. OLSON TRUCKING is a Wisconsin corporation with its principal place of business at 311 Ryan Street, Holmen, WI 54636.
3. JEREMIAH is a citizen of the State of Wisconsin and the president of OLSON TRUCKING.

JURISDICTION & VENUE

4. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. § 1332(a)(1) as the Defendants are all Citizens of the State of Wisconsin, the Plaintiff is a citizen

of the State of Minnesota and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs.

5. Venue is appropriate in this Court pursuant to 28 U.S.C. § 1391(a)(b)(2) because a substantial part of the events or omissions giving rise to the claims herein occurred in this judicial district and the Defendants reside in this judicial district.

FACTS

6. KLC and OLSON TRUCKING entered into Lease Agreement Number 3011A (the "Lease Agreement") on or about October 6, 2014 for the lease of certain personal property more specifically identified on Exhibit "A" thereto. On that same date, KLC and JEREMIAH entered into an Addendum which added JEREMIAH as OLSON TRUCKING's Co-Lessee under the Lease Agreement. True and correct copies of the Lease Agreement and Addendums between KLC and the Lessees are attached hereto as Exhibit A.

7. Pursuant to the terms of the Lease Agreement and one of the Addendums thereto, Lessees promised to pay KLC one advance payment plus forty-eight (48) monthly payments in the amount of \$5,420.00 plus applicable taxes and fees. See Exhibit A, pages 1 and 5.

8. KLC has performed all of its obligations under the Lease Agreement. A true and correct copy of the "Acknowledgement and Acceptance of Equipment by Lessee" is attached hereto as Exhibit B.

9. To induce KLC to enter into the Lease Agreement, and to secure absolute and unconditional payment and performance of all obligations owed to KLC under the Lease Agreement including, but not limited to, all principal, interest, costs, late charges, out of pocket expenses and attorney fees, JEREMIAH executed an Equipment Lease Guaranty (the "Guaranty"). See Exhibit A, page 4.

10. Pursuant to a Collateral Pledge Agreement executed by OLSON TRUCKING on October 6, 2014, KLC was granted a blanket lien in the business assets of OLSON TRUCKING, as well as (1) 2008 Peterbilt 389, VIN: 1NPXD4EX28D759715 (the “Additional Collateral”). A copy of the Collateral Pledge Agreement is attached hereto as Exhibit C.

11. Pursuant to the Lease Agreement, KLC was at all times owner and Lessor of the following equipment described on Exhibit “A” to the Lease Agreement: (1) 2009 Peterbilt Heavy Spec, VIN: 1XPXDBTX99D774386 (the “Leased Equipment”).

12. KLC fully performed its obligations under the Lease Agreement.

13. Defendants are in default of their obligations under the Lease Agreement for failing to make the monthly payments required.

14. Despite KLC’s demand, Defendants have failed, neglected and refused to pay KLC all amounts due and payable under the Lease Agreement, as a result of which KLC has been damaged.

15. KLC is entitled to recover prejudgment interest at 18% per annum from October 23, 2015, plus its attorneys’ fees and costs, pursuant to paragraphs 19 and 25 of the Lease Agreement. See Exhibit A, page 2.

16. KLC recovered and sold the Leased Equipment for \$95,000.00 on or about October 23, 2015, which amount has been duly credited towards Defendants’ indebtedness.

17. The total amount due and owing to KLC pursuant to the Lease Agreement is \$146,334.95 as of October 23, 2015.

**COUNT I
BREACH OF LEASE AGREEMENT**

18. KLC restates and realleges Paragraphs 1 through 17 of this Complaint as though fully set forth herein.

19. OLSON TRUCKING and JEREMIAH defaulted under the terms of the Lease Agreement by failing to pay the obligations Defendants owe to KLC under the Lease Agreement.

20. KLC has fully performed under the Lease Agreement.

21. KLC has been damaged by OLSON TRUCKING and JEREMIAH's defaults under the Lease Agreement in the amount of \$146,334.95, plus prejudgment interest at 18% per annum from October 23, 2015 until the date of judgment, plus attorney fees and costs.

WHEREFORE, KLC FINANCIAL INC., seeks the entry of judgment against OLSON TRUCKING AND JEREMIAH, jointly and severally, under Count I of this Complaint in the amount of \$146,334.95 plus prejudgment interest at 18% per annum from October 23, 2015 until the date of judgment, plus attorney fees and costs.

**COUNT II
BREACH OF GUARANTY**

22. KLC restates and realleges Paragraphs 1 through 21 of this Complaint as though fully set forth herein.

23. JEREMIAH defaulted under the terms of his Guaranty by failing to pay the obligations Defendants owe to KLC under the Lease Agreement.

24. KLC has fully performed under the Lease Agreement and, therefore, has fully performed under the Guaranty.

25. KLC has been damaged by JEREMIAH's defaults under his Guaranty in the amount of \$146,334.95, plus prejudgment interest at 18% per annum from October 23, 2015 until the date of judgment, plus attorney fees and costs.

WHEREFORE, KLC respectfully requests that this Court enter judgment in its favor and against JEREMIAH S. OLSON, under Count II of this Complaint in the amount of \$146,334.95,

plus prejudgment interest at 18% per annum from October 23, 2015 until the date of judgment,
plus attorney fees and costs.

Respectfully Submitted,

KLC FINANCIAL, INC.

By: /s/ Kenneth D. Peters

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